Rs. 50 lakhs in gerenal areas and 33.33% subject to a maximum of Rs. 75 lakhs for difficult areas/under the scheme of Technology Upgradation/Establishment/Modernization of Food Processing Industries. The Ministry also assists in Entrepreneurship Development Programme for training entrepreneurs. The schemes of the Ministry are not area, gender specific.

(d) and (e) State Nodal Agencies (SNA) have been nominated in all the States/Union Territories for coordinating and promoting the food processing sector in the country and SNAs forward viable project proposals for financial assistance to the Ministry.

Policy for Private Sector Investment

3800. SHRI SITARAM YECHURY: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether Government have conceived any policy to attract private investment in food processing sector;

(b) if so, the salient features of the policy;

(c) the response from private sector so far;

(d) the number of industries coming up and the amount of capital they are bringing in, State-wise; and

(e) the concession being provided by Government to these private players?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI): (a) to (e) In order to promote the food processing sector, Government is providing financial assistance for setting up of food processing industries in the country under the plan schemes. Under the schemes, financial assistance is provided @ 25% of the total cost of plant and machinery and technical civil works subject to a maximum of Rs. 50 lakh in general areas and @ 33.33% subject to a cap of Rs. 75 lakh in difficult areas. Further, Government have announced in the Parliament across the sector the following incentives:—

(i) under Income Tax Act, a deduction of 100% of profit for five year and 25% of profits for the next five years in case of new

agro processing industries set up to process, preserve and package fruits and vegetables.

(ii) Excise duty of 16% on dairy machinery has been reduced to zero for promotion of dairy processing industries.

(iii) Excise duty on food grade hexane used in edible oil industry has been reduced from 32% to 16%.

(iv) Excise duty of Rs. 1.00 per kg. on refined edible oil and Rs. 125 per kg. on vanaspati abolished.

(v) Customs duty on refrigerated vans reduced from 20% to 10%.

(vi) Custom duty on packaging machines reduced from 15 per cent to 5 per cent.

(vii) Custom duty on Vanaspati increased to 80%.

(viii) Excise duty on condensed milk, ice cream preparations of meat, fish and poultry, pectins, pasta and yeast to be fully exempt.

(ix) Excise duty on ready-to-eat packaged foods and instant food mixes, like dosa and idli mixes, reduced from 16 per cent to 8 percent.

(x) Excise duty on aerated drinks has been reduced from 24 per cent to 16 percent.

(xi) Excise duty on packaging paper has been reduced from 16 per cent to 12 per cent.

Food processing industries are both in registered and unregistered sectors. Therefore, the precise information regarding number of such industries is not centrally maintained.

Incentives to Food Processing Sector

3801. DR. VIJAY MALLYA: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether Government are providing incentives to food processing